§ 105-164.4E. Direct Mail.

(a)　　Advertising and Promotional Direct Mail. – The following sourcing principles apply to advertising and promotional direct mail.

(1)　　To the location where the direct mail is delivered if it is purchased pursuant to a direct pay permit issued under G.S. 105-164.27A(a1), or if it is purchased with an exemption certificate claiming direct mail and bearing the direct mail permit number issued under G.S. 105-164.27A(a1).

(2)　　To the location where the direct mail is delivered if the purchaser provides the seller with information to show the jurisdictions to which the direct mail is to be delivered.

(3)　　To the location from which the direct mail was shipped if subdivision (1) or (2) of this subsection does not apply.

(b)　　Other Direct Mail. – The following sourcing principles apply to other direct mail:

(1)　　To the location indicated by an address for the purchaser that is available from the business records of the seller that are maintained in the ordinary course of the seller's business when use of this address does not constitute bad faith.

(2)　　To the jurisdictions where the direct mail is delivered if it is purchased pursuant to a direct pay permit issued under G.S. 105-164.27A(a1), or if it is purchased with an exemption certificate claiming direct mail and bearing the direct mail permit number issued under G.S. 105-164.27A(a1).

(c)　　Relief From Liability. – In the absence of bad faith, a seller is relieved of:

(1)　　All obligations to collect, pay, or remit any tax on any direct mail transaction where the purchaser issues a direct pay permit issued under G.S. 105-164.27A(a1), or if it is purchased with an exemption certificate claiming direct mail and bearing the direct mail permit number issued under G.S. 105-164.27A(a1).

(2)　　Further obligation to collect any additional tax on the sale of advertising and promotional direct mail where the seller sourced the sale according to delivery information provided by the purchaser. (2013-414, s. 23(c).)